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OFFICE OF THE SECRETARY  
FEDERAL MARITIME COMM

- (b) Mitsui O.S.K. Lines, Ltd. of 1-1 Toranomon, 2-chome, Minato-ku, Tokyo, Japan  
(hereinafter referred to as “MOL”); and
- (c) Hyundai Merchant Marine Co., Ltd. of ~~1-7, Yeonji-dong~~ 194, Yulgok-ro,  
Jongno-gu, Seoul, 110-754, Korea (hereinafter referred to as “HMM”).

The Parties are collectively referred to as The New World Alliance (“TNWA”).

#### ARTICLE 4: SCOPE

A. Vessels That Call U.S. Ports: The Parties will cooperate with respect to services deployed to the trade lanes (“Trade Lanes”) identified below with respect to vessels that operate on voyages that

- (1) call a port or ports in one or more of the following U.S. port ranges:
  - (a) U.S. Pacific Coast (including Alaska);
  - (b) U.S. Atlantic and Gulf Coasts (Maine through Brownsville, Texas, and Puerto Rico and the U.S. Virgin Islands);
- (2) and that also call a port or ports in one or more of the following non-U.S. port ranges:
  - (a) Far East, which is defined for purposes of this Agreement to include countries and portions thereof (other than the United States, its commonwealths, territories and possessions) bordered by the Western Pacific Ocean and nearby waters (including the Sea of Japan, the East China Sea, the South China Sea, the South Pacific and the Philippine Sea), and/or bordered by the Indian Ocean and nearby waters (including the Bay of Bengal, the Arabian Sea and the Red Sea and waters contiguous to the foregoing);
  - (b) Northern Europe, which is defined to include Germany, the United Kingdom, Belgium, the Netherlands, and France;

(c) Panama;

~~(d) Mediterranean, which is defined to include Malta, Spain and Italy~~

(d) ~~(e)~~ Canada Pacific Coast.

B. Vessels That Do Not Call U.S. Ports: The Parties also may cooperate amongst themselves and/or with third parties with respect to vessels that operate on voyages that do not call a U.S. port, including vessels that operate on voyages within or between the Far East, Northern Europe and/or Mediterranean port ranges. Such vessel voyages may carry cargo which moves to or from the United States (on a through bill of lading or otherwise) and which has a prior or subsequent transshipment to or from a vessel that does call the United States. This Agreement authorizes cooperative activities and agreements, as provided herein, relating or incidental to transportation subject to the Shipping Act of 1984, as amended (the “Shipping Act”) on such vessels that do not call U.S. ports.

C. Cargo. A Party may use its space on any vessel referenced in the preceding Paragraphs A and B (or referenced in Article 10 below concerning feeder vessels) to carry cargo without regard to its ultimate or intermediate origin or destination, whether inside or outside the port range defined in Paragraph A above and whether or not moving on a through bill of lading. Cargo carried on any such vessel may be moving between, on the one hand, any U.S. port range specified in Article 4.A(1) or any inland and coastal point served via such port range, and, on the other hand, any port in the rest of the world or any inland and coastal point served via such port.

D. Limitations on the scope of this Agreement.

1. This Agreement does not apply to services or activities that do not relate to transportation subject to the Shipping Act.

2. Subject to Articles 12.D and 12.E below, this Agreement does not apply to a vessel string calling the United States (i) that consists entirely of vessels provided by fewer than all Parties and on which fewer than all Parties have a basic slot allocation (“BSA”) to or from the United States, ~~or~~ (ii) that includes one or more vessels provided by carrier(s) that are not party to this Agreement, and/or (iii) that is operated pursuant to the G6 Alliance Agreement (FMC Agreement No. 012194). To the extent that such vessel strings are utilized by a Party or Parties, they will be covered by separate agreements which will, if legally required, be separately filed by the parties thereto under the Shipping Act.
3. This Agreement does not authorize the Parties to jointly enter into service contracts with shippers or to discuss or agree on rates or charges charged to shippers under tariffs or service contracts or on the terms of the Parties’ individual service contracts. The preceding sentence does not, however, derogate from any authority the Parties may have to discuss or agree on such matters pursuant to any other agreements in effect under the Shipping Act, in accordance with the provisions of such other agreements.

## ARTICLE 5: VESSELS, PORT ROTATIONS AND SCHEDULES

### A. Provision of Vessels

~~1. — A ship that, on the date this Agreement becomes effective, is being used in a service calling the United States pursuant to FMC Agreements Nos. 011618, 011623 and/or 011723 shall be deemed to be providing service under this Agreement as of its effective date.~~

~~2.1.~~ (a.) As of the later of the date ~~this Agreement~~(i) amendment 009 is filed with the Federal Maritime Commission under the Shipping Act of 1984, ~~the Parties are~~or (ii) the G6 Alliance Agreement (FMC Agreement No. 012194) becomes effective and the services are phased-in, the Parties will be operating a total of approximately ~~65~~60 ships in services calling the United States

pursuant to ~~FMC Agreements Nos. 011618, 011623 and/or 011723,~~this Agreement, of which approximately ~~31~~32 are provided by APL, ~~17~~13 are provided by HMM, and ~~17~~15 are provided by MOL. In aggregate, these vessels are providing, as of the date of filing this ~~Agreement,~~amendment 009, approximately ~~2.7~~2.5 million TEUs of nominal capacity on an annualized basis inbound to the United States and the same number outbound from the United States (all U.S. coasts combined).

(b.) The Parties are authorized to change the number and/or size of vessels operated under this Agreement so as (i) to reduce the above-stated aggregate, annualized capacity figure by no more than 20 percent or (ii) to increase such capacity figure by no more than 40 percent; provided, however, that the Parties may reduce or increase such capacity by greater percentages on a temporary basis (fewer than 90 days) in response to operational or market conditions. The Parties are also authorized to charter vessels amongst themselves.

(c.) Subject to the need to stay within the capacity range identified in the preceding sentence, the Parties are authorized to adjust the above-stated number of vessels provided by any particular party under this Agreement.

3. (a.) Each Party has a prime responsibility for maintaining the number of ships provided by it under paragraph A.~~2~~1 of this Article 5. Any change to this number can only be made with the express prior unanimous agreement of all Parties, subject to Article 13.A.3(ii).

(b.) A party may substitute a ship while keeping its number of ships constant, in which event the Parties may agree, pursuant to Article 6 below concerning slot allocations, on the allocation of any increase or reduction in capacity, or of any increase or reduction in vessel operating costs, resulting from the substitution.



(d) If a vessel used in a mixed-operator loop under this Agreement is determined to be in excess of the Agreement's requirements as a result of a decision made collectively by the Parties, the provider of the vessel has the options to take the vessel back or to charter the vessel to the Agreement Parties according to terms and conditions agreed by the Parties. Notwithstanding the foregoing, should any such vessel operated by a Party become surplus due to the independent actions of such Party such surplus vessel and all associated costs shall remain the sole responsibility of that Party.

(e) It is understood that the foregoing provisions of this paragraph 7 are subject to the provisions of Article 13 concerning decision making.

B. Port Rotations and Schedules

1. The Parties' voyages calling U.S. ports pursuant to this Agreement will operate primarily between the following port ranges as defined in Article 4 above:

- (i) between the Far East and the U.S. Pacific Coast (such voyages may also call the Canada Pacific Coast);
- (ii) between the Far East and the U.S. Atlantic and/or Gulf Coasts, ~~whether~~ via the Panama Canal (such voyages may also call ports in Panama) ~~or via the Suez Canal (such voyages may also call ports in the Mediterranean);~~
- (iii) between Northern Europe and Panama, on the one hand, and the U.S. Atlantic and/or Gulf Coasts, on the other hand.
- (iv) Vessels may operate on extended port rotations that include participation in two or more such services and/or that call both the U.S. Pacific Coast and the U.S. Atlantic/Gulf Coasts.

2. Subject to the capacity range specified in Article 5.A above, the Parties are authorized to make and implement agreements on matters relating to port rotations and scheduling of vessels subject to this Agreement, including: the port rotations for particular

Article 6 below) and through other means as the Parties may agree. All deployment transition costs incurred on the introduction of vessels in services under this Agreement, including operating costs resulting from the cascading or substitution of ships between different port rotations or from the addition or withdrawal of ships or loops in port rotations, will be equitably shared by the Parties according to principles that will be agreed by the Parties. Plans will be put in place by the Parties to minimize these costs as much as possible.

5. The Parties must ensure reliable schedules with proactive management. Each Party has the obligation to provide ships and perform schedules as mutually agreed. If however, for any reason, the Party providing the ship is unable to maintain the agreed schedule, such Party must take immediate actions to rectify the situation, which may include operational measures such as increasing vessel speed or omitting a port on a particular voyage. The Parties may agree on guidelines or standards for on-time performance, rules for remedial actions and on principles, procedures, rights and obligations (including obligations for costs) relating to such remedial measures or to the non-performance of such measures.

6. The Parties agree that in certain Trade Lanes, and subject to applicable law, benefits may be derived from cooperation with other carriers or alliances, including by procuring space in trade lanes that are not in the geographic scope of this Agreement, and the Parties agree to consider cooperation with such third parties in order to lower costs in the Trade Lanes. Vessels covered by this Agreement may also be covered by agreements between one or more Parties and such third parties, subject to applicable law and filing requirements. The option of cooperation with other carriers or alliances will be considered when determining the best means of providing to a particular market a cost effective and high quality service.

part as the Parties may agree, on the following factors (among others), which may be taken into account on an individual loop basis, an individual Trade Lane basis, and/or multi-trade lane basis (e.g., two or more trade lanes which may include non-U.S. trade lanes) , whether or not within the scope of this Agreement, including other agreements in which the Parties participate: (i) a Party's capacity contributions and needs over a time period; (ii) voyage expenses (including port charges, bunker and canal costs) of particular vessels or loops or in particular trade lanes; (iii) vessel capital costs associated with slots contributed and used by a Party; (iv) the need for a fair and equitable method of sharing the costs of providing and operating the ships employed in the services under this Agreement; and (v) the relative costs efficiency of particular loops and particular vessels in a loop and the equitable apportionment of the extra costs of relatively inefficient ships. The Parties may agree on the relative weights to be accorded such factors for particular loops, trade lanes and time periods.

2. It is the objective of the Parties that the container slots to be provided by each Party hereunder shall be in exchange for slots to be provided to it by the other Parties in accordance with the BSAs, without the payment of any slot charter hire by one Party to the other, to the extent each Party provides a number of slots equal to its BSA. Any discrepancy between the number of slots provided by any Party and the BSA of said Party shall be regarded as a slot sale or purchase, as the case may be, subject to such rates, terms and conditions as the Parties may agree pursuant to the preceding paragraph.

3. Except as otherwise provided herein, every Party is entitled to use freely the assets owned by it, including slots allocated to it. Every Party shall be entitled to use its slot



C. (1.) Any two or more Parties may discuss any matter within the scope of this Agreement.  
(2.) Except to the extent that this Agreement provides otherwise, this Agreement does not provide authority for fewer than all Parties to make and implement any agreement that would otherwise be required to be filed under the Shipping Act.

D. Where fewer than all Parties to this Agreement are or may become the only parties to a separate agreement of the type referenced in Article 4.D.2.(i) above, the Parties (in their capacities as Parties to this Agreement and, as applicable, parties to the separate agreement) may make and implement agreements relating to the coordination of present and future operations under the two agreements, including with respect to vessels, scheduling, deployment, port calls and terminal use.

E. Where all Parties to this Agreement are or may become parties to separate agreement of the type referenced in Article 4.D.2.(ii) or (iii) above, the Parties may, in making and implementing agreements among themselves as authorized by this Agreement, take into account any impacts that present or future operations under one agreement may have on present or future operations under the other agreement, including with respect to vessels, scheduling, deployments, port calls and terminal use. The Parties may also develop joint positions and proposals concerning such matters, which they may discuss and/or agree on with the non-TNWA parties to the separate agreement to the extent permitted by that separate agreement.

#### ARTICLE 13: DECISION MAKING

A. All decisions to be made pursuant to this Agreement and under any agreements implementing this agreement which introduce changes to the Parties' product, services or BSAs under this Agreement shall be made in accordance with the procedures set forth in this Article.

1. Such changes shall include but not be limited to the following: